

Other Information

REVIEW OF INTERIM RESULTS

The Audit Committee of the Company was established by the Board for the purposes of, among other things, reviewing and providing supervision over the Group's financial reporting process and internal controls. It currently comprises four independent non-executive directors of the Company. The Audit Committee has reviewed the Group's unaudited condensed consolidated interim financial statements for the six months ended 31 December 2018 and discussed financial related matters with the management and the external auditors of the Company.

The unaudited condensed consolidated interim financial statements of the Group for the six months ended 31 December 2018 have been reviewed by the Company's external auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagement 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and enhance corporate value of the Group. Throughout the six months ended 31 December 2018, the Company had complied with all the code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), with the exception of code provision E.1.2.

Code provision E.1.2 requires the chairman of the board to attend the annual general meeting. Dr. Cheng Kar Shun, Henry, the Chairman of the Board, was unable to attend the annual general meeting of the Company held on 29 November 2018 (the "2018 AGM") due to other important engagement. Mr. Lam Wai Hon, Patrick, the Vice-Chairman of the Board, who took the chair of the 2018 AGM, together with members of the Board who attended the 2018 AGM, were of sufficient caliber for answering questions at the 2018 AGM.

DIRECTORS' DEALINGS IN THE COMPANY'S SECURITIES

The Company has adopted its own Securities Dealing Code, which is no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules, as the code for dealing in securities of the Company by its directors. All directors of the Company confirmed, following specific enquiry by the Company, that they had complied with the required standard set out in the Securities Dealing Code adopted by the Company throughout the six months ended 31 December 2018.

UPDATE ON DIRECTORS' INFORMATION

Pursuant to the amendment of Rule 13.51(2)(a) of the Listing Rules which was effective on 1 March 2019, the update in information of the director is set out below:

— Mr. Wong Shu Hung is also known as Vong Hong.

Except as mentioned above, there is no update in information of each director of the Company that is required to be disclosed under Rule 13.51(2) of the Listing Rules.

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DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 31 December 2018, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Long position in ordinary shares of associated corporation — FSE Holdings Limited

Name	Capacity/nature of interest	Number of shares	Percentage of Shareholding ⁽⁶⁾
Dr. Cheng Kar Shun, Henry	Beneficial interest	90,000,000 ⁽¹⁾	18%
Mr. Lam Wai Hon, Patrick	Interest of controlled corporation	10,000,000 ⁽²⁾	2%
Mr. Doo William Junior Guilherme	Interest of controlled corporations	45,000,000 ⁽³⁾	9%
Mr. Lee Kwok Bong	Interest of controlled corporation	5,000,000 ⁽⁴⁾	1%
Mr. Wong Kwok Kin, Andrew	Interest of controlled corporation	35,000,000 ⁽⁵⁾	7%

Notes:

1. The shares are held by Chow Tai Fook Nominee Limited ("CTF Nominee") for Dr. Cheng Kar Shun, Henry.
2. The shares are held by Equal Merit Holdings Limited ("Equal Merit"), the entire issued share capital of which is solely and beneficially owned by Mr. Lam Wai Hon, Patrick.
3. The shares are held by Master Empire Group Limited ("Master Empire") as to 25,000,000 shares and Supreme Win Enterprises Limited ("Supreme Win Enterprises") as to 20,000,000 shares, the entire issued share capital of each of which is solely and beneficially owned by Mr. Doo William Junior Guilherme.
4. The shares are held by Lagoon Treasure Limited ("Lagoon Treasure"), the entire issued share capital of which is solely and beneficially owned by Mr. Lee Kwok Bong.
5. The shares are held by Frontier Star Limited ("Frontier Star"), the entire issued share capital of which is solely and beneficially owned by Mr. Wong Kwok Kin, Andrew.
6. The percentage of shareholding is calculated on the basis of 500,000,000 shares in issue as at 31 December 2018.

Save as disclosed above, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 31 December 2018.

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SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 31 December 2018, the interests and short positions of persons in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO were as follows:

Long position in ordinary shares of the Company (the "Shares")

Name	Capacity/nature of interests	Number of Shares	Percentage of Shareholding ⁽⁴⁾
FSE Holdings Limited	Beneficial interests	337,500,000 ⁽¹⁾	75.00%
Sino Spring Global Limited ("Sino Spring")	Interest of controlled corporation	337,500,000 ^(1&2)	75.00%
Mr. Doo Wai Hoi, William ("Mr. Doo")	Interest of controlled corporation	337,500,000 ^(1&2)	75.00%
Mrs. Doo Cheng Sau Ha, Amy ("Mrs. Doo")	Interest of spouse	337,500,000 ^(1,2&3)	75.00%
Value Partners Group Limited	Interest of controlled corporations	26,855,000	5.96%
Value Partners High-Dividend Stocks Fund	Beneficial interests	23,133,000	5.14%

Notes:

1. FSE Holdings Limited is beneficially owned as to 63% by Sino Spring, 18% by Dr. Cheng Kar Shun, Henry (through CTF Nominee), 7% by Frontier Star, 5% by Master Empire, 4% by Supreme Win Enterprises, 2% by Equal Merit and 1% by Lagoon Treasure. By virtue of Part XV of the SFO, Sino Spring is deemed to be interested in all Shares held by FSE Holdings Limited.
2. Sino Spring is an investment holding company wholly owned by Mr. Doo. By virtue of Part XV of the SFO, Mr. Doo is deemed to be interested in all Shares in which Sino Spring is interested.
3. Mrs. Doo is the spouse of Mr. Doo and is therefore taken to be interested in all Shares in which Mr. Doo is interested by virtue of Part XV of the SFO.
4. The percentage of shareholding is calculated on the basis of 450,000,000 Shares in issue as at 31 December 2018.

Save as disclosed above, no other person was recorded in the register required to be kept under section 336 of the SFO as having an interest or short position in the shares or underlying shares of the Company as at 31 December 2018.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") on 20 November 2015. No share option has been granted under the Scheme since its adoption.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 31 December 2018.